

FORT LAUDERDALE



Denice of America

January 26, 1993

Ms. Donna Searcy Secretary Federal Communications Commission 1919 M Street, NW Washington, DC 20554

Subject: MM Docket No. 92-266

Dear Commissioners:

The City of Fort Lauderdale, Florida respectfully submits the enclosed Comments in the Matter of Implementation of Section 3 of the Cable Television Consumer Protection and Competition Act of 1992 - Regulation of Rates: MM Docket No. 92-266.

Thank you for the opportunity to provide our comments on this and other cable television related matters.

Sincerely,

Bruce A. Larkin, Director Department of Administrative Services City of Fort Lauderdale, Florida

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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

FEDERAL COMMUNICATION TO CONTROL SHOW

OFFICE OF THE SECRET WAY

In the Matter of

Implementation of Section 3 of the Cable Television Consumer Protection and Competition Act of 1992

Regulation of Rates

MM Docket No. 92-266

To: The Commission

Comments of the City of Fort Lauderdale, Florida

The City of Fort Lauderdale, Florida respectfully requests the Commissioners to consider carefully these comments in the above-captioned proceeding.

In the matter of effective competition, the City of Fort
Lauderdale, Florida does not believe that we should be burdened with
proving that the franchised cable operator is not subject to effective
competition. In fact, we feel strongly that Congress passed the 1992
Cable Act based on the presumption that the majority of cable
operators were not subject to effective competition and because most
subscribers did not have a choice of two or more companies for cable
service, they needed protection from unjust rates. It is our belief
that if the cable operator disagrees and feels that it is subject to
effective competition, then the burden of proof should fall to the
operator. If no agreement can be reached on the matter, then the
Commission could act as the arbiter of the dispute.

The 1992 Cable Act sets forth requirements for local franchising authorities to become certified by the Commission to regulate basic service rates. The City of Fort Lauderdale, Florida stands ready to comply with those requirements; however, we encourage the Commission to adopt an application format that is simple and can be complied with quickly, such as a resolution by the governing body of the franchising authority.

On the subject of basic service rate regulation, the City of Fort Lauderdale, Florida believes that if the basic service rate charged by the cable operator is in excess of the "reasonable rate" established by the Commission, that we should have the authority to require a "roll-back" of the rate to the one established by the Commission. We believe such a "roll-back" of rates was the intent of Congress in mandating that a "reasonable rate" be established.

Further on this subject, the 1992 Cable Act requires a cable operator to provide at least 30 days' advance notice to a franchising authority of any increase proposed in the price to be charged for the basic service tier. The City of Fort Lauderdale, Florida believes that the 30 days' advance notice is merely public notification of a cable operator's intent and is not the period of time in which a rate increase is to be granted or refused by the franchising authority. Additionally, we strongly oppose the provision of the law that would allow a cable operator to automatically put the increase into effect after the 30 day notice period expires.

The City of Fort Lauderdale, Florida believes that a period of at least 120 days is needed to approve or disapprove a rate increase.

This period of time is needed to allow for a thorough review by proper

city officials of the cable operator's financial information and basis for the requested increase. More importantly, we feel the 120 days is needed to allow for the citizens of Fort Lauderdale to be made aware of the request and to provide them an opportunity to appear before our governing body, the Fort Lauderdale City Commission, to give input regarding the matter.

Further, the City of Fort Lauderdale, Florida believes that on the basis that a franchising authority is granted certification by the Commission to regulate rates for basic service, that we be permitted to initially review rates for non-basic services to ensure the cable operator's compliance with the Commission's "unreasonable" rate regulation standard.

In the matter of subscriber bill itemization, the City of Fort Lauderdale, Florida believes that we should have the right to review and approve the format of such information before it is disseminated to subscribers. Specifically, we feel that the franchise fee should be included in the dollar amount charged for the cable service in order to provide subscribers with a more accurate reflection of how much the service costs. (The franchise fee could be explained by footnote.) By displaying the franchise fee as a separate item, cable subscribers may be led to believe that the rates charged are artificially low. Additionally, we believe that itemization of costs associated with providing PEG access and programming be reflected on an actual cost basis.

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The City of Fort Lauderdale, Florida believes that by incorporating these comments the Commission will be taking an important first step in restoring regulatory powers to franchising authorities to protect cable customers in Fort Lauderdale as well as throughout the country, without unreasonably burdening cable operators.

Respectfully submitted,

Bruce A. Larkin, Director

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